

INVESTMENT
\$8,500—Block of four houses and store, northeast section; nets 10%.
H. H. WILLIAMS & CO.
26 Victoria Street.

TWENTY-SEVENTH YEAR

ISSUE OF PREFERENCE STOCK TO SETTLE FRISCO LOSSES

British America and Western Assurance Companies Have Already Successfully Underwritten Whole Amount—J. J. Kenny Retires From Active Management.

An important announcement to insurance interests was made on Saturday relative to the affairs of the British America and Western Assurance companies. As a result of the San Francisco fire losses it was found necessary to make an issue of 7 per cent preference stock, which has already been fully underwritten to a total amount of \$1,987,500.

It was also stated that J. J. Kenny, vice-president and general manager, who for over thirty-five years has been with the companies, advancing step by step through the various grades, has requested to be allowed to retire, and will be succeeded by W. B. Melkie of London, Eng., who is at present in the city.

The official statement, made by Hon. G. A. Cox, president, is as follows: "At meetings of the boards of directors of the British America Assurance Company and the Western Assurance Company, held during the week, full statements of the final position of the companies resulting from the San Francisco conflagration were submitted and approved. It has been taken longer than was first expected to have these statements prepared and verified, owing to the various legal questions involved, the lack of records and the necessity for procuring duplicate information from all the branches having the necessary figures in their books, and the generally complicated position in connection with reinsurance and salvage estimates.

"These final statements showed that the companies' losses were, in common with all other companies, greater than had been anticipated. After careful consideration of the present position and the future policy of the companies, the conclusion was reached that it would be to the advantage of all concerned to provide for the immediate payment of all remaining losses, and to strengthen the financial position of the companies by the issue of 7 per cent preference stock to be made by each company—\$500,000 for the British America and \$1,487,500 for the Western—and that the price of subscription should be at a premium of 25 per cent.

"Within a short time the whole amount in each case was underwritten free of commission. The companies will, therefore, receive from the issue of the stock for the British America \$1,000,000 and for the Western \$1,487,500. The stock is to be paid for in full as soon as it can be obtained. The names of shareholders have been called to comply with the formalities required in connection with the issue, which will be completed before the end of this month. The present stockholders are entitled to subscribe for the new issue in proportion to their present holdings.

Manager Kenny Retires.
The question of the future management of the companies was also considered as Mr. Kenny has been in the companies' service for over thirty-five years, desired to be relieved from the pressure which the recent disaster at San Francisco necessarily threw upon him. The directors were fortunate in having in their ranks the services of Mr. Melkie of London, Eng., who has been the manager of the companies' British and foreign business, conducted for the last seven years, and who has established a large and profitable fire and marine business at that branch.

"Mr. Melkie was nominated by Mr. Kenny as his successor three years ago and is one of the most capable and experienced insurance managers of the present day. He has had a long and practical experience of fire and marine insurance in Great Britain, and in many parts of the foreign field, having been resident in India for several years and travelled in most countries of the world since his former and present companies.

"Mr. Melkie was appointed the general manager of the companies in place of Mr. Kenny, whose resignation was accepted, but who retains his position on the board of directors.

Mr. Kenny's Career.
Mr. Kenny has for many years been regarded as an authority in Canada on the insurance matter. Before entering the company's employ in Toronto, he was connected with the Hamilton agency of the same company. He has held the position of manager. At the time of the San Francisco calamity, Mr. Kenny, in addition to his business concern, thrust upon him had also to endure for four days the agony of doubt as to the safety of his wife and daughter, who had been in the city. They escaped unhurt, but their companion was among those who met death. In addition to being vice-president and managing director of the Western and the British America companies, he is also a director of the Canada Accident Assurance Co., Central Canada Loan and Savings Co., Dominion Securities Corporation, Limited; Imperial Guarantee and Accident Insurance Co., Imperial Life Assurance Co., and the Toronto General Trusts Corporation.

Mr. Melkie, who succeeds to the general management, is a gentleman of wide experience in fire insurance, not only in England, but also in other countries in the world.

The British America Co. is one, if not the oldest, of incorporated companies, having been organized in 1851. The Western was incorporated in 1851.

The directors of the British America are: Hon. George A. Cox, president; J. J. Kenny, vice-president; Augustus Myers, Thos. Long, Dr. John Hoskin, G. C. Wood, Robert Fray, Sir Henry M. Pellatt, E. W. Cox.

The directors of the Western are: Hon. G. A. Cox, president; J. J. Kenny, vice-president; Hon. S. C. Wood, G. R. R. Cockburn, Geo. McCulloch, Hugh N. Baird, W. R. Brock, J. K. Osborne, E. R. Wood.

Are you for Municipal Ownership? If so, support J. S. Granatstein as Alderman in Ward 5.

Edwards, Morgan & Company, Chartered Accountants, 2 Wellington Street East, Phone Main 1103.

The World

TWELVE PAGES—MONDAY MORNING DECEMBER 17 1906—TWELVE PAGES ONE CENT

INGLE SAMUEL'S DEFENCE IN MATERIAL AND MEN DEFICIENT, SAYS CRITIC

Matter of Years to Provide a System That Will Be Effective in Time of War, Says Chief of U.S. Artillery.

Washington, D.C., Dec. 16.—"Both the coast and the field artillery are badly deficient in both personnel and material; neither is in even approximately proper condition for instruction in time of peace, much less in condition for reasonably efficient service in war, and the time necessary to put either in the latter condition is not a matter of days or weeks, but of years."

Grigadier-General Arthur Murray, chief of artillery, thus sums up the condition of this arm of the service in his annual report, made public to-day, and says it cannot be too strongly urged that appropriate legislation be obtained to make good the deficiency and to correct the defects referred to.

The total cost of the present system of coast defence of the United States to Feb. 2 last, Gen. Murray says, was \$2,060,855, and the estimated cost to complete the defence of the United States, including estimates for ammunition and cost of sites, is \$50,879,330.

The proper defence of insular ports and the entrance to the Panama Canal, it is estimated, will cost \$19,873,893 in the case of the former and \$4,827,833 for the latter.

The value of submarine mines as an element of harbor defence, Gen. Murray says, has been determined, and he maintains the view that the system adopted by the United States army is practically perfect as a war weapon.

Pointing out that it will require 275 officers and 55,110 men to provide one relief for all the coast defences constructed and proposed for the United States at the entrance of the Isthmian Canal, and in the insular possessions, Gen. Murray remarks that under the present system it would be impracticable to furnish this number. Therefore, he says, attention must be directed to some plan that will supply the break of war the deficiency from the organized militia. He thinks that most of the non-expert troops in the service can be supplied, as well as a number of second-class expert artillerymen drawn from those forces in the States where special training and its equipment in coast artillery duties.

MEXICO NATIONALIZES LINES—HEAD OFF U. S. TRUST

Mexico City, Dec. 15.—Minister of Finance Limantour, in a remarkable speech to congress last night, detailed the reasons which prompted the Mexican government to consummate the great railroad merger by which it comes into possession of two great trunk lines of the country, with thousands of miles of subsidiary lines. With the control of the National and the Central roads and dependent lines, the government practically owns all of the big operating lines in the republic.

The most striking statement in the minister's speech was one that the government was forced to go into the railroad business on a large scale because of fear of what he styled the great railroad trusts in the United States. He said that if this defaulting action had not been taken by Mexico, some of the great railway systems of the United States would have entered the republic and swallowed up the transportation facilities of the country. This he characterized as a peril now alarming the people of the great northern republic.

In his speech he made the important forecast that the merger was only the beginning of a great plan, and he declared that the Mexican government had decided to vigorously enter the railroad business.

After delivering his speech, he presented a bill at the request of President Diaz, asking that the session of congress which is about to close be prolonged, so that the whole situation might be carefully considered by the deputies and the senators.

During the address, Minister Limantour said that the government was at first obliged to go into the railroad business in 1903 when the National road was purchased, because a merger between that line and the Central was then about to be consummated.

At that time, the government declared that its attitude in railroad fares would thenceforth be passive, but the circumstances mentioned, he said, had been forced by the so-called railway trust of the United States.

The minister summed up his argument as follows: "There are three main arguments for the incorporation of the two great systems of the National and the Central. First, to avoid friction between the two different corporations when the two are competing lines, or when one of them is controlled by the government by one of the great railway systems of the United States; and, thirdly, in the prospect of the considerable economies thru the consolidation of all the great railways under a single management."

The speech thruout its delivery was frequently applauded. There seemed to be an overwhelming sentiment in favor of the ideas advanced by Minister Limantour.

RETAIL OWNERS ENDORSE THE BECK POWER SCHEME

Unanimously say it is in interests of City of London.

London, Dec. 16.—The Retail Owners' Association has passed the following resolution unanimously:

"Resolved, that after hearing the views of the members of the hydro-electric commission, Hon. Adam Beck and the engineers of the government, it will be the duty of the ratepayers of this city to vote for the bylaw to give London electric power thruout the city, as proposed by the lines proposed by the government."

BOXES OF TEN CIGARS.
Specially Choice Cigars Put Up in Little Boxes for Mailing.

From your favorite box you may select a cigar and find that the cigars have gone from it. Cigars are sensitive. They must be kept properly. A gentleman who buys cigars in the box to keep at either his home or his office should have a "humidor" cabinet which will preserve the cigars in the best condition. The cigars in the box to keep at either his home or his office should have a "humidor" cabinet which will preserve the cigars in the best condition. The cigars in the box to keep at either his home or his office should have a "humidor" cabinet which will preserve the cigars in the best condition.

WHY CIGARS FALL OFF.
The Sensitive Tobacco Plant Must Be Kept Properly.

From your favorite box you may select a cigar and find that the cigars have gone from it. Cigars are sensitive. They must be kept properly. A gentleman who buys cigars in the box to keep at either his home or his office should have a "humidor" cabinet which will preserve the cigars in the best condition. The cigars in the box to keep at either his home or his office should have a "humidor" cabinet which will preserve the cigars in the best condition.

AT KEY YOU CAN SEE A GREAT ASSORTMENT OF SMALL DECORATIVE PIECES OF FURNITURE.
See Kay's great display of Pottery, Bric-a-Brac, and 38 King Street West.

KING OSCAR'S CONDITION.
Stockholm, Dec. 16.—The bulletin issued this evening was as follows: "The king passed a quiet day. He slept four hours. His temperature is 38.8. The action of the heart is unchanged. The catarrh of the trachea is diminished."

Removal.
Walter H. Blight, Insurance Agent, to ninth floor Traders' Bank Building, Phone Main 2700.

See Kay's great display of Pottery, Bric-a-Brac, and 38 King Street West.

TO-DAY IN TORONTO.
Dec. 17.
Canadian Club—Hon. H. B. Macfarland, on "Municipal Government by Commission."
Booth Club—Address by A. C. Macdonald, M.P., 6.15.
Church-street School closing exercises, 7.30.
Northwest Ratepayers' Association, Dunlop Conservatories, 8.15.
Labor Temple, 8 p.m.

YOUR INVENTORY—Note attention this time of year—Loose Leaf It. Call Main 6874, Universal Systems, Limited, for particulars.

AN UNFAITHFUL SERVANT



THE FARMER: "It looks to me like that hired man of mine was holdin' her for him."

Public Schools Closed—No Coal to Warm Pupils

Half the Northwestern States Will Be Freezing in a Week if Famine is Not Relieved—Deplorable Condition in Many Places Thru Coal Shortage.

Washington, Dec. 15.—Senator McCumber to-day received this telegram from J. E. Whittemore, dated at Galesburg, North Dakota:

"The United States army could not be better employed than in compelling and assisting these railroads to drop everything and haul up coal. Half the Northwestern States will be freezing in a week, and the whole of it in two weeks."

Mr. McCumber announced his intention of forwarding the telegram to the president as a commander-in-chief of the army.

Senator Hansbrough of North Dakota censured the members of the committee to-day. He declared the situation resulting from shortage of coal to be a most deplorable one, and that the public schools in some localities were closing on account of lack of fuel to keep the children warm. It is said at the commissioner's office that for a number of years past, at this season and earlier in the year, the need is most imperative. The Great Northern Road ordered yesterday acceptance of carload shipments for west of Grand Forks limited to coal. "Towns suffering most now have received relief."

BURN BUILDINGS.
Mangum, Okla., Dec. 15.—A coal famine is now prevailing in this part of Oklahoma. There is no timber for fuel, and many farmers are burning fences and outbuildings. The water is cold. Coal in transit is consigned by the railroads, and apparently there is no relief in sight. Fifty farmers went to the Rock Island station to-day and took charge of the only car of coal. Unless relief comes shortly, all public works will be closed, and many families will suffer.

WILL MOVE ONLY COAL.
Minneapolis, Dec. 15.—The railroads are trying to meet the distressing need of the North Dakotans, who are without fuel in zero weather, and will try to get coal to the sections where the need is most imperative. The Great Northern Road ordered yesterday acceptance of carload shipments for west of Grand Forks limited to coal. "Towns suffering most now have received relief."

GRAND FORKS, N. D., Dec. 15.—It is said that between Grand Forks and Minot, on the Great Northern Road, there are eleven freight trains, which cannot be moved on account of the heavy snow or the shortage of coal.

While the fuel shortage is menacing on account of the prevailing blizzard, not all towns in North Dakota are without fuel. But where coal or wood is wanting, the situation is critical. If fuel arrives within a few days, there will be little suffering in North Dakota.

To the Ladies.
If undecided what the gift will be, we invite you to visit our store and see the immense assortments of appropriate gifts for the man who smokes. Cigars, 10, 25 and 50 in a box—"Euxine," "Cigar and Cigarette Cases," "Ash Trays," Briar and Meerschaum Pipes, "Tobacco Jars," Egyptian and Turkish Cigarettes, and a profusion of smokers' goods not shown elsewhere. High-class goods and lowest prices, at A. Clubb & Sons, 5 King Street.

Brassware and Bric-a-Brac at Kay's.
Beautiful things in Lamps, Plaques and many of Zimmerman's Brasses. Quaint designs in Pottery, Inlaid Glassware etc. 38 and 39 King Street West.

MONOPOLY'S BIG FIGHT.
Winnipeg, Dec. 16.—(Special.)—Tuesday all municipalities of the province will vote on the telephone question and the Bell monopoly is putting up a desperate fight for existence.

The corporation has paid speakers thruout the whole province, while circulars are being spread broadcast claiming that municipal operation is a failure. Advertisements are appearing in every paper in the province.

After Winnipeg's big vote there seems no doubt government's policy will be endorsed by big majority.

LIBERAL PAPERS IGNORE FIELDING TARIFF SPEECH
Could Not Face Crisis It Brings Upon England.

(Canadian Associated Press Cable.)
London, Dec. 17.—W. A. Hewins, secretary of the tariff reform commission, at Chester, commented on the fact that none of the great Liberal papers here gave a report of Hon. W. S. Fielding's speech.

They must have suppressed news of vital importance, because they know they could not meet the arguments and face the crisis which a speech like Fielding's necessarily brought on.

MACLAUREN—On Dec. 15th, to Doctor and Mrs. Wallace MacLaren, Veils and East-west-street, a son.

DEATHS.
DOYLE—At her late residence, 11 Duke street, on Sunday, Dec. 16th, Margaret Doyle, aged 78 years, daughter of the late Michael Doyle, in the 87th year of her age.

Funeral from above address on Tuesday morning at 8.30, to St. Michael's Cathedral, thence to St. Michael's Cemetery. Friends please accept this intimation.

ENASSON—On Sunday, Dec. 16, 1906, at 12 Barton-avenue, Toronto, Nancy Morrison, aged 7 months and 8 days, daughter of Robert H. and Winifred Enasson. Funeral private.

MILLS—At suffrage, Mrs. George Mills, mother of George Mills, in her 92nd year. Funeral from her son's residence, 725 Dufferin-street, at 10 a.m. Monday (instead of 2.30 p.m.), as published in Saturday evening papers), to Mount Pleasant Cemetery.

REIDMAN—On Dec. 16th, 1906, at his late residence, Brooklin, Ont., Clarkson Reidman, aged 51 years and 9 months. Funeral on Wednesday, the 19th inst., at 1 o'clock, from his late residence to Grovedale Cemetery.

REYNOLDS—On Saturday, Dec. 15th, 1906, Elizabeth, dearly beloved wife of Thomas Reynolds, 38 Hamilton-street, in her 51st year. Funeral from the above address on Monday, Dec. 17, at 2.30 p.m., to St. John's Cemetery, Newark. Friends and acquaintances kindly accept this intimation.

WORLD—At 233 University-avenue, Mrs. Taylor World, in her 60th year. Funeral from above address on Monday, Dec. 17, at 2.30 p.m., to St. James' Cemetery.

The W. W. Matthews Co. Undertakers
Flowers for Xmas.
No more acceptable gift could be offered than a box of Dunlop's choice flowers. Send for price list; we guarantee delivery in safe condition. Dunlop, 26 Yonge-street.

Shake-up in C. B. Cabinet—Four Are to Quit Office
Premier Will Stay in House of Commons in View of Liberal Attack on Lords.

London, Dec. 16.—The first of the impending changes in the cabinet to be announced is the resignation of J. E. E. Fielding, parliamentary secretary to the India office. He leaves because of ill health and will recuperate abroad. It is understood Walter Runciman, parliamentary secretary to the local government board, will succeed him.

Nothing is definitely known concerning other changes, but it is stated that the Marquis of Ripon, lord of the privy seal, and Sir H. Fowler, chancellor of the Duchy of Lancaster, will resign, and it is rumored that Herbert Gladstone will leave the home office.

Sir Henry Campbell-Bannerman, however, according to the latest political gossip, will remain in the house of commons in view of the Liberal attack soon to be made on the upper house.

Everything, however, appears to hinge on James Bryce's acceptance of the post of ambassador to the United States. The British press is now beginning to regard Mr. Bryce's acceptance as a foregone conclusion.

Among the notable rumors concerning cabinet changes is one pointing to John Burns, the labor leader, for promotion. He is even mentioned as the successor of Mr. Bryce as chief secretary for Ireland. In any case he has been so successful in his present place as president of the local government board that he is regarded as in no way unlikely to be promoted.

"Maltese Cross" Rubbers

GLASSES IN PROVINCES CATHOLIC PROCESSIONS OPPOSE FREE THINKERS

Police Disperse Crowds and Many Demonstrators Are Injured—Disturbances Looked for in Paris Were Not Realized.

Paris, Dec. 16.—The serious disturbances that it was believed would ensue on this, the first Sunday under the law separating church and state, were not realized. The services in this city in particular passed off most calmly. There was a notable increase in the sizes of the congregations. In a few cases rowdies entered churches wearing their hats, but were promptly arrested.

In the provinces there was great excitement in many places. Large processions, chanting psalms, accompanied the clergy to and from the churches. Counter demonstrations took place in several cities, notably Perpignan and Amiens, where Catholics and Free Thinkers came into collision, but the police dispersed the crowds. Several demonstrators were injured.

Bishop De Brly, while receiving the official notice to leave the bishopric of Meaux this morning, suffered a violent nervous shock and fell unconscious. Later he recovered.

CLERGYMAN SUMMONED.
Clergymen at all points are being summoned for breaking the law of 1881. A large number of declarations have been filed. Almost all the bishops' palaces and seminaries have been searched. Lathenave a commissary of police was chased from the church and stoned, and finally had to draw his revolver to protect himself.

At Bordeaux a single declaration for private worship in the entire diocese has been filed.

REAL SEPARATION.
Rome, Dec. 15.—The Pope is rejoicing to-night that the occurrences in France are not so serious as had been feared. To-day he received Cardinal Satolli, who explained the situation with regard to Catholicism in the United States, where there is a real separation between church and state. The procedure, it is intimated, will be of instruction since because in the United States court, to restrain the board from carrying out its orders to segregate Japanese pupils.

TO TAKE DRASTIC ACTION AGAINST FRISCO BOARD
Injunction to Prevent Segregation of Jap Pupils in Schools.

San Francisco, Dec. 15.—Development in the controversy over the segregation of Japanese school children indicate that the United States Government is preparing to take drastic action, thru the federal district attorney's office, against the San Francisco Board of Education.

The procedure, it is intimated, will be of injunction since because in the United States court, to restrain the board from carrying out its orders to segregate Japanese pupils.

MUCH COLDER.
Meteorological Office, Toronto, Dec. 16.—(Special.)—Moderate temperatures have prevailed from Ontario to the Maritime provinces to-day, while over the prairie provinces temperatures have been below zero all day in most districts. Showers have occurred in British Columbia, and local snow flurries in New Ontario; otherwise fair weather has been general thruout Canada.

MINIMUM AND MAXIMUM TEMPERATURES.
Toronto, 15 below zero; heating 2-4; Ford Simpson, 34-40; Victoria, 40-44; Vancouver, 35-43; Edmonton, 22 below zero; Port Arthur, 8-15; Perry Sound, 24-34; Toronto, 20-34; Ottawa, 22-32; Montreal, 28-30; Quebec, 16-28; New York, 35-39.

PROBABILITIES.
Lower Lakes and Georgian Bay—Northern winds fall and becoming much colder; local snow flurries.

GIVE A MAN ONE OF KAY'S MASTON MORTIS HAIRTS if you wish to make him happy. They show a great assortment at 38 and 39 King Street West.

DRINK PORT HOPE PALE ALE at dinner and your doctor will see you so.

Best Yet for Christmas.
Hand modeled art figures, with unique electric effects. Each piece signed by the artist. Just arrived from Vienna, Austria. No. 535 Queen-street East.

CHRISTMAS GIFTS AT KAY'S. A great assortment of Pottery, Brassware, Bric-a-Brac and Fancy Furnitures. 38 and 39 King Street West.

STEAMSHIP ARRIVALS.

From	At	From			
St. Louis	10.30	New York	10.30	Southampton	10.30
London	11.00	New York	11.00	Havre	11.00
Liverpool	11.30	New York	11.30	Bremer	11.30
Philadelphia	12.00	New York	12.00	Antwerp	12.00
London	12.30	New York	12.30	Liverpool	12.30
London	1.00	New York	1.00	Boston	1.00
London	1.30	New York	1.30	London	1.30
London	2.00	New York	2.00	London	2.00
London	2.30	New York	2.30	London	2.30
London	3.00	New York	3.00	London	3.00
London	3.30	New York	3.30	London	3.30
London	4.00	New York	4.00	London	4.00
London	4.30	New York	4.30	London	4.30
London	5.00	New York	5.00	London	5.00
London	5.30	New York	5.30	London	5.30
London	6.00	New York	6.00	London	6.00
London	6.30	New York	6.30	London	6.30
London	7.00	New York	7.00	London	7.00
London	7.30	New York	7.30	London	7.30
London	8.00	New York	8.00	London	8.00
London	8.30	New York	8.30	London	8.30
London	9.00	New York	9.00	London	9.00
London	9.30	New York	9.30	London	9.30
London	10.00	New York	10.00	London	10.00
London	10.30	New York	10.30	London	10.30
London	11.00	New York	11.00	London	11.00
London	11.30	New York	11.30	London	11.30
London	12.00	New York	12.00	London	12.00

Something good, La Voila Cigar.